Year in Review: Operation Iraqi Freedom



Operation Iraqi Freedom is in keeping with the Bush doctrine: Any person or government that supports, protects or harbors terrorists is complicit in the murder of the innocent and will be held to account.



Duncan Hunter
Chairman
House Armed Services Committee
November 2003

*

Table of Contents

- Justification for the War in Iraq 1
 - Military Successes 8
 - The Coalition Provisional
 Authority 11
 - Rebuilding Iraq 19
 - **Congressional Action 25**



Justification for the War in Iraq

Life Under Saddam's Reign: Repression and Atrocities

Weapons of Mass Destruction

Fighting Terrorism: The Cost of Inaction

Justification for Operation Iraqi Freedom (OIF)

"Saddam had a lengthy history of reckless and sudden aggression. He cultivated ties to terror, hosting the Abu Nidal organization, supporting terrorists, making payments to the families of suicide bombers in Israel. He also had an established relationship with Al Qaeda, providing training to Al Qaeda members in the areas of poisons, gases, making conventional bombs."

- Vice President Cheney

Iraq's chemical, biological and nuclear weapons, coupled with long-range missile development and support of terrorism, justified U.S. military action. Iraq posed a grave potential threat to the United States because of its refusal to verifiably abandon its weapons of mass destruction (WMD) programs and the potential for it to transfer WMD to terrorist groups. On March 17, 2003 President Bush issued an ultimatum demanding that Saddam Hussein and his sons depart from Iraq within 48 hours. Hussein, whose hostility toward our country long predates the 9/11 attacks, defied the order. It is important to note that the goal of regime change in Iraq was declared U.S. policy in 1998. Public Law 105-338, enacted on October 31, 1998, declares that it should be the policy of the U.S. to seek to remove the Saddam Hussein regime from power in Iraq and to replace it with a democratic government.

Iraq has become the central front in the war on terror – a war which essentially began on September 11, 2001 when 19 evil individuals, armed with box cutters, executed a deadly plan that resulted in the loss of some 3,000 innocent lives in two hours time. If terrorists were to ever use weapons of mass destruction, they could inflict incalculable devastation on our country, costing us possibly hundreds of thousands of lives. The best way to protect ourselves against catastrophic terrorist acts is to destroy terrorists and their sponsors, such as Saddam Hussein, before they can launch additional attacks on the United States.

- Iraq worked to rebuild its WMD programs during the four years it banned U.N. weapons inspectors and failed to comply with 17 U.N. resolutions, including Resolution 1441 (November 8, 2002), calling for complete elimination of all WMD programs.
- Iraq used chemical weapons against its own people (the Kurds) and against a neighbor (Iran). Due to Saddam Hussein's history of brutality and aggression, it is logical to conclude that he would not be deterred from using WMD against the U.S. and its allies.
- Iraq was in a position to (and may have) transfer its WMD to terrorists such as Al Qaeda, who could use these weapons to cause hundreds of thousands of deaths in the United States or elsewhere.

Life Under Saddam Hussein's Reign

Repression and Atrocities

The greatest threat to Iraqis was Saddam Hussein's sadistic regime. He killed, tortured, raped and terrorized the Iraqi people and his neighbors for more than two decades.

- Many hundreds of thousands of people died as a result of his actions, the vast majority of them were Muslims.
- Victims of torture in Iraq were subjected to a wide range of torture, including the gouging-out of eyes, severe beatings and electric shocks. Some victims died as a result and many were left with permanent physical and psychological damage.
- Saddam had approximately 40 of his own relatives murdered.
- The regime used allegations of prostitution to intimidate opponents and attempt to justify the barbaric beheading of women.
- Documented chemical attacks by the regime, from 1983 to 1988, resulted in some 30,000 Iraqi and Iranian deaths.
- Human Rights Watch estimates that Saddam's 1987 to 1988 campaign of terror against the Kurdish people killed at least 50,000 and possibly as many as 100,000 Kurds.
- Two thousand Kurdish villages were destroyed by Saddam Hussein. Chemical agents, including mustard gas and nerve agents, were used in attacks against approximately 40 Kurdish villages between 1987 to 1988.
- Saddam Hussein's regime carried out frequent summary executions of thousands of prisoners.
- Iraq's 13 million Shi'a Muslims, the majority of Iraq's population of approximately 24 million, faced severe restrictions on their religious practice, including a ban on communal Friday prayer, and restrictions on funeral processions.
- According to Iraqi health officials, Hussein purposely ruined the country's health system in an effort to discredit U.N. sanctions.
- Over the past five years, an estimated 400,000 Iraqi children under the age of five died of malnutrition and disease.
- Since the beginning of Operation Iraqi Freedom, coalition forces have discovered military warehouses filled with food supplies meant for the Iraqi people, that were instead diverted by Iraqi military forces.

 Bernard Kerik, former New York Police Commissioner, returned from Iraq after spending four months there helping to activate a new national police force. While in Iraq, he viewed a videotaped interrogation in which a victim is blown apart by a hand grenade. Another video shows "Saddam sitting in an office allowing two Doberman Pinchers to eat alive a general because he did not trust his loyalty."

Of Note:

Since the start of the war on terrorism in September 2001, the number of terrorist attacks and fatalities linked to terrorism have declined. According to the State Department's Patterns of Global Terrorism report, terrorist attacks numbered 199 in 2002, compared with 355 in 2001.

Weapons of Mass Destruction

"Iraq's WMD programs spanned more than two decades, involved thousands of people, billions of dollars, and were elaborately shielded by security and deception operations that continued even beyond the end of Operation Iraqi Freedom." - Dr. David Kay, Head of the Iraq Survey Group.

Following the fall of Saddam's regime on April 9, 2003, a U.S. military-led Mobile Exploitation Team (MET) began to search for and catalogue any weapons of mass destruction uncovered. The teams discovered chemical weapons protection equipment and antidote vaccinations. In May 2003, the MET turned over its mission to the U.S.-led Iraq Survey Group (ISG), headed by a well-regarded veteran U.N. weapons inspector, Dr. David Kay. The Survey Group is also tasked with uncovering information on



the relationship between Saddam Hussein's regime and Al Qaeda, and cataloguing findings of mass graves and other human rights abuses by the Hussein regime.

On October 2, 2003, Dr. Kay testified before Congress on his interim findings. Despite war critics' comments and prejudiced media reports to the contrary, Dr. Kay and his group made many important discoveries. Below are some of Kay's findings:

- Iraq concealed ample amounts of WMD-related equipment from the U.N. during the period of the inspections that began in late 2002.
- The existence of a secret network of labs and safe houses within the Iraqi
 Intelligence Service that contained equipment suitable for the production of
 chemical and biological weapons.
- A prison complex that Iraqi officials were told not to report to U.N. inspectors, which may have been for human testing of biological agents.
- Strains of biological agents hidden in scientists' homes and research on new biological weapons agents.
- Documents and equipment hidden in scientists' homes that would be useful in resuming uranium enrichment for nuclear weapons.

- Advanced designs for missiles with a range of up to 1000 kilometers (over 600 miles), far beyond what was allowed by the U.N., which would have enabled Iraq to hit U.S. bases, allies and friends throughout the Middle East.
- A systematic pattern of destruction of equipment, computer hard drives and documents in offices and labs in Baghdad and elsewhere. As recently as July 2003, a weapons inspection team came upon a still-smoldering pile of ashes from destroyed documents in a prison complex.
- Clandestine attempts between 1999 and 2002 to obtain technology from North Korea related to 1,300-kilometer-range ballistic missiles, 300-kilometer-range anti-ship cruise missiles and other prohibited military equipment.

As Dr. Kay has stressed, patience is crucial for this endeavor. His interim report is a snapshot in the context of an ongoing investigation. While Kay has been at work for only a few months, Hussein worked to conceal his WMD programs for some 20 years. Locating the evidence is a massive and arduous task. For example, the inspectors must go through lraq's huge stocks of conventional weapons – as it was the Iraqi military's practice to mix unmarked chemical ordinance with conventional. Iraq has 130 known Ammunition Storage Points, many of which are 50 miles square and hold an estimated 600,000 tons of artillery shells, bombs, etc. Of these vast piles, only 10 have been examined thus far.

The ISG task is further complicated by the relatively small size of the objects of the search. Dr. Kay observed that even the bulkiest WMD materials could be stored in a space the size of a two-car garage. According to former Clinton Administration CIA Director James Woolsey, Saddam's entire suspected inventory of the biological agent anthrax would fill roughly half a standard tractor trailer. Yet, this amount could kill many millions of innocent people. Considering Saddam's diligent efforts to conceal and obscure his WMD program, few can dispute that if the ISG is having a difficult time ferreting our the truth, the U.N. inspectors would likely never have found positive evidence of Iraqi WMD, especially given the additional constraints on their searches.

Dr. Kay is scheduled to present his next update in January 2004.

Fighting Terrorism: The Cost of Inaction



USS Cole

Until the terrorist attacks of September 11, 2001, the United States did not properly heed and respond to terrorist threats. Fearing no retribution for their brutal acts, terrorists grew increasingly confident. Our bold military response to the September 11 attacks clearly demonstrated that the United States would not tolerate acts of terrorism in any form. We confronted terrorism where it originated, in Afghanistan and Iraq, and terrorists can no longer

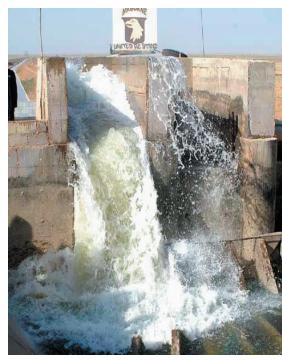
presume that America will not aggressively root them out for punishment.

- The bombings of the World Trade Center in 1993, Khobar Towers, our embassies in East Africa, and the USS Cole were treated as criminal matters instead of the terrorist acts they were.
- After September 11, President Bush made clear that we will no longer simply respond to terrorist acts, but will confront gathering threats before they become certain tragedies.
- If we do not fight the war against terror in places like Baghdad and Kabul, we are far more likely to fight it on American soil.

Military Successes



Troops secure an elementary school in the center of Baghdad.



A dam at the Al Jezeera Pump Station near the Syrian border.



Troops conducting aggressive antiinsurgent operations.

Military Successes

"Our military is serving with great courage – some of our best have fallen. We mourn every loss. We honor every name. We grieve with every family. And we will always be grateful that liberty has found such brave defenders."

- President Bush

"The torture chambers are empty, the prisons for children are closed, the murders of innocents have been exposed and their mass graves have been uncovered. The regime is gone, never to return. And despite difficulties we knew would occur, the Iraqi people prefer liberty and hope to tyranny and fear."

- Vice President Cheney

The U.S. military victory in Iraq was truly unprecedented and praiseworthy. Our military liberated 24 million Iraqi people in just three weeks. Because of the actions and sacrifices of our brave men and women in uniform, the regime of Saddam Hussein has been deposed, our nation is more secure, and Iraq is on the path to becoming a free and prosperous nation.

On March 19, 2003, offensive operations began with air strikes against Iraqi leadership positions. Operation Iraqi Freedom was executed with a combination of precision, speed and force that stunned the enemy.

Marines and soldiers charged to Baghdad across 350 miles of hostile territory in one of the fastest military advances in the history of warfare. The Hussein regime fell on April 9, 2003, and by April 15, after only 27 days of offensive operations, coalition forces were in relative control of all major Iraqi cities, including Baghdad, Basra, Mosul, Kirkuk, and Tikrit, and the Iraqi political and military leadership had collapsed. Following this decisive military victory, we immediately began humanitarian efforts. Coalition forces continue to make great progress in building a stable, representative, and pro-American Iraq.

Some of our many military victories:

- Coalition forces carried out hundreds of raids and thousands of patrols, seizing caches of enemy weapons and massive amounts of ammunition that can no longer be used against our troops or innocent civilians.
- As of November 2003, forty-three of the fifty-five most wanted former Iraqi leaders are dead, including Saddam's sons, Uday and Qusay, or in custody, as well as thousands of other Baath Party loyalists and terrorists.

- The Coalition has ensured that Saddam Hussein will never again use weapons of mass destruction.
- In addition to bringing down Saddam's regime with great force and speed, we can also be proud of the fact that we conducted military operations with minimal collateral damage to the country's infrastructure.
 - Neighboring countries were not hit with Scud missiles, as in Gulf War I.
 - There were no instances of massive civilian casualties, nor were there large masses of fleeing refugees.
 - Bridges were captured intact and the rail lines were protected.
 - The dams were taken whole and villages were not flooded.
 - Oil fields were protected and widespread oil field fires did not materialize. Of 250 wells in the key sections of the Rumaila oil field, only nine were detonated, causing just seven fires.
 - No gas-oil separation plants, pumping stations, or pipelines were wired for destruction.

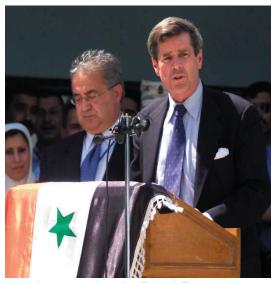
"You're serving at a time of testing for this nation. And we're meeting the test of history. We're defeating the enemies of freedom. We're confronting the challenges – the challenge to build prosperity for our nation. Every test of America has revealed the character of America. And after the last two years, no one in the world – friend or foe – can doubt the will and the character and the strength of the American people."

-President Bush

As of November 2003, about 145,000 U.S. and British troops are in Iraq; of those, about 130,000 are U.S. personnel and about 12,000 are British. There are an additional 10,000 foreign forces, deploying in accordance with international commitments to post-war peacekeeping.

The Coalition Provisional Authority:

Purpose Strategy Successes



Ambassador L. Paul Bremer, head of the U.S.-led Coalition Provisional Authority (CPA), addresses Iraqi police graduates.

A Kurdish resident of Baghdad's Musfa District casts his vote during a recent election for the Baghdad Advisory Council.



The Coalition Propisional **Authority (CPA) Goals**

"We have a strategy for success in Iraq. In recent months, we have made steady progress toward our objectives. Security is improving. Essential services are being restored. And we are reaching out to expand international participation in re-building Iraq."

- Ambassador Bremer

Purpose: to establish a secure, peaceful, and democratic Iraq that will stand against terrorism and no longer threaten America, the Middle East, or the world.

Three-pronged strategy:

- 1) Establish a secure environment by taking direct action against terrorists and those attempting to undermine progress, and by restoring urgent and essential services to the country;
- 2) Expand international cooperation in the security and reconstruction of Iraq; and
- 3) Accelerate the orderly transition to self-government by the Iraqi people.

CPA Successes

Iraqi Security Force:

The Coalition is working to create a professional Iraqi Army, build an effective Iraqi police force, develop Iraqi security and border patrol forces, and a fair Iraqi system of justice. This will allow Coalition Forces to conduct additional raids against terrorists and hasten the transfer of power to the Iraqi people.

The Iraqi Security Force as of November 18, 2003:		
Security Force	<u>Operating</u>	
Border Police	12.2 thousand	
Police	63.1 thousand	
Civil Defense Corps	10.0 thousand	
Facilities Protection	48.1 thousand	
New Iraqi Army	700 graduated, with goal of 27 battalions trained in a year	

Restoring Urgent and Essential Services and Strengthening Iraq's Economy:

Decades of mismanagement and neglect by Saddam Hussein's regime, left the Iraqi people without many essential services. Beyond denying the Iraqi people essential services, Saddam's education system forced children to learn propaganda, teaching them to hate enemies of the regime, including the United States. Moreover, during the 1990's, Saddam cut spending on public health by over 90% and quality healthcare was reserved for Baath Party officials and others connected to his regime.

Iraq's economy suffered from gross mismanagement and corruption. Saddam's regime inserted restrictions into the Iraqi constitution and legal statutes that stifled private enterprise and assured state domination of the economy. As a result, the economy was increasingly dependant on the state-owned oil sector, which served the interests of the socialist Baath Party. Saddam's economic restrictions suffocated private enterprise, reduced job opportunities for Iraqis, perpetuated state monopolies over many sectors of the economy and discouraged private investment. Not only did these policies hurt the Iraqi people, they allowed Saddam to appropriate Iraq's vast oil wealth to maintain his power, reward his supporters, and fund his ambitions to claim leadership of the Arab world and dominate the Middle East.

Restoring and improving basic services, providing education and health care, and strengthening Iraq's economy will avert unrest and prevent Iraq from reverting to a breeding ground for terrorism.

- We achieved the initial goal of surpassing pre-war peak output levels of 4,400 megawatts by fall 2003. As of October 5, 2003, output levels were 4,417 megawatts.
- As of November 18, 2003, the-seven day daily average of crude oil production was 2.139 million barrels per day. Pre-war peak production was 2.500 million barrels per day.
- Iraq will earn approximately \$2.7 billion in oil revenue in 2003. With infrastructure improvements, Iraqi oil revenues should grow to about \$12 billion in 2004, probably reaching roughly \$18.5 billion by 2005.
- 2,000 repairs have been made to 143 water networks in Iraq a critical improvement for farmers and drinking water.
- Access to water and sewer services has been restored to at least pre-war levels.
- Baghdad and Basra airports are again operational, now receiving Coalition and noncommercial charter flights.
- The Umm Qasr sea port has been re-opened to commercial traffic, with 50,000-ton cargo ships able to load and off-load.
- Virtually all universities have reopened, as have hundreds of secondary schools

 some of which were used to store weapons before the war.
- When schools opened in October, more than 1,500 were refurbished with the help of 36,000 Iraqi workers.
- All of Iraq's 240 hospitals have been reopened and 95 percent of Iraq's health clinics are open and accepting patients.
- More than 22 million doses of vaccines have been delivered to support vaccinating
 4.2 million children and 700,000 pregnant women.
- By the end of 2004, more than 90 percent of Iraqi children under age five will have been immunized against preventable diseases such as polio, tuberculosis, and measles. There are no signs of epidemics.
- The Coalition delivered more than 12,000 tons of pharmaceuticals and medical supplies in the last few months.

- Year in Review
- Approximatley 95% of all pre-war bank customers have service, and first-time customers are opening accounts daily.
- Thousands of small businesses have opened since the liberation.
- Irag's central bank is fully independent and fully operational, and its commercial banking system is being resuscitated under modern banking standards.
- Investments in electric power and oil will help increase future economic output.
- The Coalition is collecting funds from frozen and hidden accounts of the former regime.
- Micro credit programs and enterprise funds to support new businesses are being established.
- Job training and vocational programs are being set-up.

Restoring Full Sovereignty to the Iraqi People:

For decades, the only government in Iraq was the oppressive, brutal dictatorship of Saddam Hussein. Irag's liberated people, with the help of the Coalition, are taking major steps toward democracy.

- In each of Baghdad's 88 neighborhoods, citizens have freely selected representatives for local governing councils.
- In July, a 25-member Iraqi Governing Council, broadly representative of Iraqi society, was constituted.
- Over 800 democratically selected regional council members are now working to serve their fellow citizens. The council members include Sunnis, Shias, Christians, as well as both Arabs and Kurds – and more than 75 women.
- On September 1, 2003, the Governing Council announced the appointment of 25 cabinet ministers to run the day-to-day affairs of Iraq.
- After the Iragi constitution is written and ratified by popular vote, there will be an open election to fill the elective offices specified in the document.
- Once Iraq has a freely elected government, the CPA will yield the remainder of its authority to the sovereign Iragi government.

16 ★ Year in Review ★

Human Rights and Free Speech:

No longer will Saddam be able to suppress and violate the human rights of the Iraqi people.

- A Human Rights Ministry was established on September 1, 2003.
- Human rights are being promoted through civic education.
- Every day, progress is being made to develop a judiciary rooted in the principles of human rights and due process.
- A free press is flourishing in Iraq and there are over 170 newspapers being published and sold at hundreds of news kiosks around Baghdad.
- Radio and TV stations are proliferating throughout the country.
- The Governing Council and the new Iraqi ministers are holding regular press conferences.

Iraq Self-Governance

A November 15, 2003 agreement between the Coalition Provisional Authority and the Iraqi Governing Council focuses on fundamental law, agreements with the Coalition on security, the selection of a Transitional National Assembly, restoration of Iraq's sovereignty and a process for the adoption of a permanent constitution. A Department of Defense synopsis of the agreement follows:

The Governing Council-CPA agreement includes the following:

- Establishes a "Fundamental Law" to be drafted by the Governing Council (GC) in consultation with the CPA. It will be approved by both the GC and CPA, and will formally set forth the scope and structure of the sovereign Iraqi transitional administration. Elements of the "Fundamental Law":
 - A Bill of Rights, to include freedom of speech and religion; a statement of equal rights of all Iraqis, regardless of gender, sect, and ethnicity; and guarantees of due process.
 - Federal governance of Iraq, to include governorates and the separation and specification of powers to be exercised by central and local entities.
 - Statement of the independence of the judiciary, and a mechanism for judicial review; a statement of civilian political control over Iraqi armed and security forces.
 - A statement that Fundamental Law cannot be amended and an expiration date for Fundamental Law.
 - A timetable for drafting Iraq's permanent constitution by a body directly elected by the Iraqi people; for ratifying the permanent constitution; and for holding elections under the new constitution.
 - Drafting and approval of the "Fundamental Law" is scheduled for completion by February 28, 2004.
- The CPA and the GC are to reach an agreement on Iraq's security. This agreement will cover the status of Coalition forces in Iraq and give wide latitude to provide for the safety and security of the Iraqi people. Approval of bilateral agreements are scheduled for completion by the end of March 2004.
- Selection of Transitional National Assembly. Fundamental Law will
 specify the bodies of the national structure, and will ultimately spell out the
 process by which individuals will be selected for these bodies. However,
 certain guidelines must be agreed to in advance. The transitional assembly
 will not be an expansion of the GC. The GC will have no formal role in
 selecting members of the assembly, and will dissolve upon the establishment

and recognition of the transitional administration. Individual members of the GC will, however, be eligible to serve in the transitional assembly, if elected according to the process below.

- Election of members of the Transitional National Assembly will be conducted through a transparent, participatory, democratic process of caucuses in each of Iraq's 18 governorates.
- In each governorate, the CPA will supervise a process by which an "Organizing Committee" of Iraqis will be formed. This Organizing Committee will include five individuals appointed by the Governing Council, five individuals appointed by the Provincial Council, and one individual appointed by the local council of the five largest cities within the governorate.
- The purpose of the Organizing Committee will be to convene a "Governorate Selection Caucus" of leaders from around the governorate. To do so, it will solicit nominations from political parties, provincial/local councils, professional and civic associations, university faculties, tribal and religious groups. Nominees must meet the criteria set out for candidates in the Fundamental Law. To be selected as a member of the Governorate Selection Caucus, any nominee will need to be approved by an 11/15 majority of the Organizing Committee.
- Each Governorate Selection Caucus will elect representatives of the governorate in the new transitional assembly based on the governorate's percentage of Iraq's population. The Transitional National Assembly will be elected no later than May 31, 2004.
- Restoration of Iraq's sovereignty will follow the selection of members of the transitional assembly, which will meet to elect an executive branch and appoint ministers. By June 30, 2004, the new transitional administration will be recognized by the Coalition, and will assume full sovereign powers for governing Iraq. The CPA will dissolve.
- The process for adopting of a permanent constitution and timeline will ultimately be included in the Fundamental Law, but need to be agreed in advance, as detailed below.
 - A permanent constitution for Iraq will be prepared by a constitutional convention directly elected by the Iraqi people. Elections for the convention will be held no later than March 15, 2005.
 - A draft of the constitution will be circulated for public comment and debate. A final draft of the constitution will be presented to the public, and a popular referendum will be held to ratify the constitution. Elections for a new Iraqi government will be held by December 31, 2005, at which point the Fundamental Law will expire and a new government will take power.

Rebuilding Iraq

Adjusting to Changes

Justifying the Costs

Supplemental Spending

Grants v. Loans

International Economic Assistance



Adjusting to Changing Conditions in Iraq

The Bush Administration's reconstruction efforts in Iraq have been very successful. Iraq is recovering faster than previous U.S. reconstruction efforts in places such as Bosnia or Kosovo. Nonetheless, the evolving situation in Iraq shows that policy must remain fluid to ensure the safety of our troops and facilitate a final transition as fast as practicably possible.

- Almost any issue associated with reconstruction and stability operations in Iraq lends itself to varying opinions by well-informed and experienced people.
- Our best course of action is to set priorities and adjust to continual changes in the situation in Iraq while learning from past experience.
- The Administration is constantly reassessing the right course of action in Iraq

 meaning some policies which were appropriate yesterday may not be the right
 answer in the future.
- To ensure the proper mix of experts, the CPA is composed of employees from throughout the U.S. government, including the Departments of State, Defense and Treasury.

Milestones (Iraq and Post WW II Germany)		
	<u>Iraq</u>	<u>Germany</u>
Local Governments Installed	2 months	8 months
Independent Central Bank	2 months	3 years
Police Established	2 months	14 months
New Currency	2.5 months	3 years
Training New Military	3 months	10 years
Major Reconstruction Plan	4 months	3 years
Cabinet Seated	4 months	14 months
War Trials	pending	6 months
National Elections	pending	4 years
New Constitution	pending	4 years
Full Sovereignty	pending	10 years

Justifying the Costs of Rebuilding Iraq

The cost of the war on terror, as a percentage of today's Gross Domestic Product (GDP), pales in comparison to previous conflicts. For example, for WWI, America devoted 24% of our GDP; for WWII, we spent 130%; for the Korean War, we committed 15%. The costs of the war on terror, including the \$87.5 billion supplemental spending package, amounts to 0.5% of our GDP.

Costs of Major U.S. Wars

World War I	\$33 billion
Fiscal Year 2003 Dollars	\$588 billion
World War II	\$360 billion
Fiscal Year 2003 Dollars	\$4,799 billion
Korea	\$50 billion
Fiscal Year 2003 Dollars	\$408 billion
Vietnam	\$111 billion
Fiscal Year 2003 Dollars	\$584 billion
Persian Gulf War (1991)	\$61 billion
Fiscal Year 2003 Dollars	\$82 billion

The stability of Iraq is imperative to our security. From an economic perspective, the financial consequences of terrorist attacks far outweigh the costs of preventing such attacks. After 9/11, thousands of Americans lost their jobs, the stock market was shut down for days, and the airline and travel industries were devastated financially. One study showed that the economic costs associated with the 9/11 attacks were well over \$2 trillion.

Reconstruction is a fundamental part of the war on terrorism, in which Iraq is a critical front. The war cannot be won by military might alone. To isolate and defeat our terrorist enemies, we must use all the tools available, including diplomacy, economic aid, political reform, intelligence sharing, law enforcement cooperation, educational reform and public diplomacy. We are helping the Iraqi people create a democratic Iraq on the ruins of Saddam's dictatorship. If we fail to help the Iraqis build a stable government, Iraq could again become infested with deadly terrorist networks.

Supplemental Spending

The supplemental funding measure provides \$87.5 billion in grants for military and reconstruction efforts in Iraq and Afghanistan. More specifically, \$65.8 billion is for the military effort and \$21.8 billion is for reconstruction and foreign assistance. Under the spending measure, Iraq reconstruction would receive \$18.6 billion and similar efforts in Afghanistan would receive \$1.2 billion. Provisions of the supplemental spending measure include:

- Funds for military personnel benefits, including rest and recuperation, as well as family advocacy and outreach programs.
- Funds to improve troops' living conditions, in terms of water, electricity, heating and air conditioning.
- Funds for force-protection measures, including protective vests and ceramic inserts for the vests, as well as upgrades for humvees and sensors to allow for the detection of explosive devices.
- Funds for weapons and military hardware procurement.
- Funds for munitions security and destruction in Iraq.
- Funds for Irag's security and law enforcement.
- Funds to rebuild Irag's oil infrastructure.
- Funds to improve Iraq's electric sector, water resources and sanitation, transportation, and telecommunications.
- Funds for Irag's health care and education.
- Funds for private sector development.
- The creation of an inspector general for the Coalition Provisional Authority to monitor reconstruction funds and recommend improvements.

Grants v. Loans

"The Iraqi people are still reeling from a quarter-century of Saddam's manifest cruelties. The international community must not saddle the future of the Iraqi people with the burden of his crushing debts."

- Ambassador Bremer

Some believe the funds for economic reconstruction and development in Iraq should have been extended as a loan instead of as a grant. Unfortunately, adding billions of dollars to Iraq's existing heavy debt would burden Iraqis with a formidable repayment schedule that would stifle economic development.

- Heavy debt repayment would become a destabilizing political issue in Iraq that could easily be exploited by U.S. adversaries.
- We should resist the notion that a grant is merely foreign aid. The funds are an integral component of the war against terrorism and Iraq is a critical front in that war.
- As an occupying power, the U.S. has a moral and legal obligation to rebuild and secure Iraq and establish a legitimate government. Abandoning this obligation could do great harm to America's reputation and credibility worldwide.
- Iraq is already burdened with very heavy loans it faces more than \$200 billion in debt, which it will struggle to repay. Additional debt will undoubtedly hinder the ongoing progress and undermine U.S.-led efforts to completely end Saddam Hussein's reign.
- Loans secured with Iraqi oil revenue would reinforce misconceptions that the United States went into Iraq for oil.
- Grants significantly improve the relationship between the U.S. and the Iraqi
 people and show them that we are sincere in fighting for their freedom and
 liberation.
- Loan formulas would be complicated and only add to the reconstruction difficulties the Iraqi people face.
- Loans could raise major questions about how the United States would be repaid and could cause diplomatic problems.
- A loan would relinquish complete U.S. control over how the funds are expended to Iraqis, which could result in billions of dollars in contracts for France, Germany, and Russia.

International Efforts to Help Iraq's Economic Recovery

"Your success here will be a success for humanity and a help for peace and security in the world."

- Ayad Allawi, President of Iraqi Governing Council

Under Saddam Hussein's reign, Iraq's per-capita income plummeted from about \$3,600 to about \$600 today. Between 1980 and 2001, Iraq dropped 50 places in the United Nations Human Development Index. Fortunately, the international community has recognized the importance of helping the Iraqi people recover from decades of misgovernment and oppression. During the recent International Donor Conference for the Reconstruction of Iraq, 73 countries, 20 international organizations and 13 nongovernmental organizations committed resources totaling \$33 billion for the period 2004 – 2007. Countries not able to help Iraq financially offered technical and other types of support to the Iraqi people. Estimations of assistance highlights are as follows:

Japan: \$5 billion

The European Union: \$1.44 billion, including:

o Spain: \$300 milliono Denmark: \$27 milliono Italy: \$235 million

o United Kingdom: \$450 million

Republic of Korea: \$200 million

Canada: over \$150 million

World Bank: between \$3 and \$5 billion in loans

International Monetary Fund: between \$2.5 and \$4.25 billion in loans



Congressional Action

Oversight

Legislation

CODELS

Oversight

The House of Representatives has been diligent in fulfilling its oversight responsibilities regarding the war and reconstruction efforts in Iraq. As of November 20, 2003, 35 briefings have been held this year for all Members of the House. The meetings were conducted with various officials, including Secretary of Defense Donald Rumsfeld, Deputy Secretary of Defense Paul Wolfowitz, Chairman of the Joint Chiefs of Staff General Richard Myers, and CPA Administrator Ambassador Paul Bremer.

Beyond these meetings for the entire House membership, the House Armed Services Committee held 13 hearings directly focusing on Iraq.

Legislation



"We are a nation at war. Today, thousands of American men and women are in harms way to seek out our enemies and defeat them In the ongoing war on terrorism, I commend President Bush and our military leaders for taking the fight to those who would do us harm. With this legislation, Congress is providing the resources to ensure our continued success."

 House Armed Services Committee Chairman Duncan Hunter on the FY04 National Defense Authorization Act

The National Defense Authorization Act for Fiscal Year 2004 is the first defense authorization act drafted in the aftermath of Operation Iraqi Freedom. The act draws on lessons learned from the wars in Afghanistan and Iraq. It demonstrates an unequivocal dedication to our men and women in uniform, our military preparedness and our commitment to improving and increasing America's military capabilities. Important provisions include:

Personnel:

- A 4.15 percent average increase in base pay for our men and women in uniform.
- A reduction in the average amount of housing expenses paid by service members from the current 7.5 percent to 3.5 percent in fiscal year 2004 with elimination of the out-of-pocket expense by fiscal year 2005.
- An extension of special pay and bonuses for active duty personnel through December 31, 2004.
- An increase in the family separation allowance for service members with dependents, worldwide, from \$100 per month to \$250 per month for the period beginning October 1, 2003 and ending on December 31, 2004.
- An increase in the rate of special pay for those subject to hostile fire and imminent danger, worldwide, from \$150 per month to \$225 per month for the period beginning October 1, 2003 to December 31, 2004.

Military Manpower:

 An increase in Army active end strength of 2,400 above the budget request, with \$68 million in additional funding to support the increase (the Army is carrying the largest burden from a deployment perspective). An end strength of 70,469 full-time personnel for the Reserves and National Guard, an increase of 1,779 over the fiscal year 2003 level. This includes 264 full-time National Guard personnel to support activation in fiscal year 2004 of 12 additional Weapons of Mass Destruction-Civil Support Teams.

Protecting our Homeland:

 Provisions to enhance the Department of Defense's support of the proposed Project BioShield initiative to mobilize the resource of the pharmaceutical industry to accelerate the development and procurement of biomedical countermeasures to chemical, biological, radiological, or nuclear agents.

Military Readiness:

- An increase of \$102.5 million in operations and maintenance funding, including:
 - o \$35 million for additional and improved gear for the troops such as cold weather gear, camelbaks, and other initial issue equipment.
 - o \$15 million for depot maintenance.
 - o \$11 million for improved and long-term training.
 - o \$14 million to improve long-term readiness such as funding for corrosion control and humidity protections.

Modernizing the Force:

 Provisions to modernize and enhance current combat capabilities, including aircraft, helicopters, ground weapons and vehicles, munitions, unmanned aerial vehicles, ships and submarines.

Accountability:

 Requiring within 90 days, the Secretary of Defense to submit to Congress a report on the security and reconstruction activities of the Department of Defense in Iraq.

CODELS

As of November 14, 2003, 17 congressional delegations (CODELS) have traveled to Iraq and several more were scheduled. The overwhelming number of those Members, from both parties, report that the situation in Iraq is dramatically better than what the media reports. Many Members have indicated that they have difficulty reconciling the improving Iraq they witnessed with media reports of unrest and violence.

It is essential for the public to have an honest and accurate account of the situation in Iraq, and Members' first-hand observations have been very helpful in disseminating the progress that is being made. Following is a small sampling of quotes from Members who traveled to Iraq:

"Mr. Speaker, I recently joined 10 other Members of Congress to visit our troops and those working to restore peace to Iraq. What I saw there was absolutely amazing. There are many good and positive changes occurring in Iraq almost daily. The most remarkable and appreciated fact is the fact that Saddam Hussein is no longer in power. He clearly made the Iraqi people live in horrible fear." - Representative Ed Schrock

"Mr. Speaker, the media is portraying a very different story regarding what is going on in Iraq than what we saw. There is no doubt that Iraq is still a dangerous place. At least it was in August, it was in September, and it probably still is today. But as we flew over the city of Baghdad there were cars, buses and trucks on the streets. There was commerce. Much of the city of Baghdad was functioning." – Representative Pete Hoekstra

"Much of the criticism of the U.S. reconstruction efforts in Iraq is unwarranted and shortsighted. I recently traveled to Iraq, and I can tell you with a great degree of confidence that our efforts there are successful, necessary and appreciated. " – Representative Chris Chocola

"My trip left no doubt that the Pentagon's version is far closer to reality. Our news coverage disproportionately dwells on the deaths, mistakes and setbacks suffered by coalition forces. Some will attribute this to a grand left-wing conspiracy, but a more plausible explanation is simply the tendency of our news media to focus on bad news. It sells. Few Americans think local news coverage fairly captures the essence of daily life and progress in their hometowns. Coverage from Iraq is no different." – Representative Jim Marshall

- ". . .the school we went to visit in Baghdad and the various neighborhoods that we rode through were . . . close to normal. Shops were open, traffic was flowing. It didn't look to me like the people felt threatened. I mean, you'd see people standing on the street corner in groups talking to each other, drinking coffee." Representative Jim Saxton
- "... Most of the people in the country are young. Most of them have never known anything but the oppressive rule of Saddam Hussein for 40 years. Think about that. Everybody in Iraq who is 40 years old or younger has only known a repressive regime. Our job now is

not only to help them fight the terrorists on the ground, but our job now is to help them learn how to accept responsibility for their lives. And they are willingly, happily stepping into that role." – Representative Sue Kelly

"We know that there is a lot of work to be done in order to make Iraq a safe and productive country. And we are all committed to seeing this through. We know that every single day that the terrorists and the remnants of Saddam's regime has that noose pulled a little bit tighter around them. They're like caged animals, and they're striking back. But we know that every single day, 100 tons of weapons are being destroyed, and that moves toward making Iraq a safer place." – Representative Marsha Blackburn

"It was an inspiring sight to see how the Iraqi people were greeting us and how they are now working to weave together the many threads that will make a new, free government for them." – Representative Terry Everett

"Several things impressed me during my visit, especially the bravery, dedication, commitment and professionalism shown by the men and women of our armed forces. Our military is trained to win wars, but it is obvious they are also skilled in an array of other activities. Most important, they are winning the hearts of the Iraqi people, who, for the most part, see our troops as saviors from an evil tyrant. We should all be very proud of these young men and women." – Representative John Shadegg

"We still have much work to do, but the progress I witnessed firsthand is remarkable. It is my sincere hope that as Members continue to return to the U.S., the American people will begin to learn about our many successes in Iraq and the deep appreciation the Iraqis have for our efforts." – Representative Jennifer Dunn